

Registered number: 02361310

HANSON FINANCIAL SERVICES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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HANSON FINANCIAL SERVICES LIMITED

COMPANY INFORMATION

Directors	N Benning-Prince R C Dowley E A Gretton A Quilez Somolinos
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Company secretary	W F Rogers
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Registered number	02361310
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Registered office	Hanson House 14 Castle Hill Maidenhead SL6 4JJ
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HANSON FINANCIAL SERVICES LIMITED

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HANSON FINANCIAL SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their report and the financial statements for the year ended 31 December 2022.

Principal activity

The Company is a group investment holding company. It did not trade during the current or prior year and, therefore, the financial statements comprise the Balance Sheet, Statement of Changes in Equity and related notes only.

Going concern

The financial statements have been prepared on a going concern basis as the Company's intermediate parent undertaking, which indirectly owns the Company's entire share capital, has committed to continue to support the Company for a period no less than 12 months from the date of the financial statements, in order that it can meet its liabilities as they fall due.

The Directors have considered and satisfied themselves that the intermediate parent company is able to make the commitments it has made to the Company. In doing this, the Directors have noted that the ultimate parent undertaking, HeidelbergCement AG, has made an assessment of identifiable risks on their global business activities, including the on-going impact of the Ukraine crisis, the volatility in energy and raw materials markets, inflationary pressures, rising interest rates and the overarching impact these factors have on construction and consumer markets, and continues to operate on a going concern basis.

Thus the Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the financial statements.

Directors

The Directors who served during the year and up to the date of signing the financial statements were:

N Benning-Prince
R C Dowley
E A Gretton
A Quilez Somolinos

Directors' indemnity

HeidelbergCement AG has indemnified, by means of directors' and officers' liability insurance, one or more Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the Directors' Report.

The articles of association also provide for the Directors to be indemnified by the Company subject to the provisions of the Companies Act.

This report was approved by the board on 30 March 2023 and signed on its behalf.



W F Rogers
Secretary

HANSON FINANCIAL SERVICES LIMITED
REGISTERED NUMBER: 02361310

BALANCE SHEET
AS AT 31 DECEMBER 2022

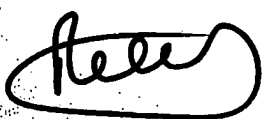
	Note	2022 £000	2021 £000
Fixed assets			
Investments	2	437,912	437,912
Current assets			
Debtors: amounts falling due within one year	3	23,241	23,241
Creditors: amounts falling due within one year	4	(260,162)	(260,162)
Net current liabilities		(236,921)	(236,921)
Net assets		200,991	200,991
Capital and reserves			
Called up share capital	5	757	757
Share premium account		756,225	756,225
Profit and loss account		(555,991)	(555,991)
Total equity		200,991	200,991

For the year ended 31 December 2022 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 March 2023.



R C Dowley
Director

The notes on pages 4 to 8 form part of these financial statements.

HANSON FINANCIAL SERVICES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 January 2021	757	756,225	(555,991)	200,991
At 1 January 2022	757	756,225	(555,991)	200,991
At 31 December 2022	757	756,225	(555,991)	200,991

The notes on pages 4 to 8 form part of these financial statements.

HANSON FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

1.1 General information

Hanson Financial Services Limited ("the Company") is a limited company incorporated and domiciled in the United Kingdom. The address of its registered office and principal place of business is disclosed in the Company Information.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 (FRS101) 'Reduced Disclosure Framework' and the Companies Act 2006.

The Company's financial statements are presented in Sterling, which is also the Company's functional currency, and all values are rounded to the nearest thousand pounds (£'000).

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have, unless otherwise stated, been consistently applied to all periods presented.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

1.3 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

This information is included in the consolidated financial statements of HeidelbergCement AG as at 31 December 2022 and these financial statements may be obtained from Berliner Strasse 6, D 69120 Heidelberg, Germany.

1.4 Going concern

The financial statements have been prepared on a going concern basis as the Company's intermediate parent undertaking, which indirectly owns the Company's entire share capital, has committed to continue to support the Company for a period no less than 12 months from the date of the financial statements, in order that it can meet its liabilities as they fall due.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. Accounting policies (continued)

1.4 Going concern (continued)

The Directors have considered and satisfied themselves that the intermediate parent company is able to make the commitments it has made to the Company. In doing this, the Directors have noted that the ultimate parent undertaking, HeidelbergCement AG, has made an assessment of identifiable risks on their global business activities, including the on-going impact of the Ukraine crisis, the volatility in energy and raw materials markets, inflationary pressures, rising interest rates and the overarching impact these factors have on construction and consumer markets, and continues to operate on a going concern basis.

Thus the Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Financial instruments

Financial assets

Financial assets are initially measured at fair value.

The Company's financial assets comprise amounts owed by group undertakings.

Financial assets are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The ECL required for other debt instruments is determined using a three stage model.

- At the initial recognition of the financial asset an expected credit loss provision is recorded for the twelve month period following the reporting date. Any interest revenue is calculated on the gross carrying amount of the financial asset.
- If the credit risk of that financial instrument has increased significantly since initial recognition, a loss allowance for full lifetime expected credit losses is recorded. Any interest revenue is calculated on the gross carrying amount of the financial asset. Should the significant increase in credit risk reverse within subsequent reporting periods then the expected credit losses on the financial instrument revert to being measured based on an amount equal to the twelve month expected credit losses.
- If objective evidence of impairment exists, a loss allowance for full lifetime expected credit losses is recognised. Any interest revenue is calculated on the net carrying amount of the financial asset.

HANSON FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies (continued)

1.5 Financial instruments (continued)

Financial liabilities

Financial liabilities are initially measured at fair value and, in the case of loans and borrowing and payables, net of directly attributable transactions costs.

The Company's financial liabilities comprise amounts owed to group undertakings.

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.6 Investments

Investments in subsidiaries are shown at cost less provision for impairment.

2. Fixed asset investments

	Investment in subsidiary company £000
Cost	
At 1 January 2022 and 31 December 2022	1,000,104
Impairment	
At 1 January 2022 and 31 December 2022	562,192
Net book value	
At 31 December 2022	437,912
At 31 December 2021	437,912

There is no impairment during the year as net assets exceed or equal the carrying amount.

HANSON FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Fixed asset investments (continued)

Direct subsidiary undertaking

The investment in which the Company directly held any class of share capital is as follows:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Hanson Finance (2003) Limited	England and Wales	Ordinary	100%	Investment holding company

Indirect subsidiary undertakings and other investments

The investments in which the Company indirectly held any class of share capital are as follows:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Marnee Limited	England and Wales	Ordinary	100%	Dormant company
V.E.A. Limited*	Guernsey	'B' Preference	100%	Investment holding company
Seacoast Products, Inc.	USA	Common stock	30.5%	Dormant

*Registered as UK establishment.

The registered office of the investments incorporated in England and Wales is Hanson House, 14 Castle Hill, Maidenhead, SL6 4JJ.

The registered office of V.E.A. Limited is 22 Havilland Street, St Peter Port, Guernsey, Channel Islands, GY1 2QB.

The registered office of Seacoast Products, Inc. is Corporation Trust Centre, 1209 Orange Street, 19801 Wilmington, USA.

3. Debtors

	2022 £000	2021 £000
Due within one year		
Amounts owed by group undertakings	23,241	23,241

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

HANSON FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

4. Creditors: Amounts falling due within one year

	2022 £000	2021 £000
Amounts owed to group undertakings	260,162	260,162

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

5. Share capital

	2022 £000	2021 £000
Allotted, called up and fully paid		
756,982 (2021 - 756,982) ordinary shares of £1 each	757	757

The Company has no authorised share capital limit.

6. Related party transactions

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with wholly owned subsidiaries in the group headed by HeidelbergCement AG. Balances outstanding at 31 December with related parties, are as follows:

	2022 £000	2021 £000
Amounts owed by indirect parent undertakings	23,241	23,241
Amounts owed to indirect parent undertakings	(260,162)	(260,162)
	<u>(236,921)</u>	<u>(236,921)</u>

7. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Hanson (CGF) Finance Limited, a company registered in England and Wales. The Company's ultimate parent undertaking is HeidelbergCement AG, a company registered in Germany. The largest and smallest group in which the results of the Company are consolidated is that headed by HeidelbergCement AG. Copies of the consolidated financial statements of HeidelbergCement AG may be obtained from Berliner Strasse 6, D 69120 Heidelberg, Germany: